(furmerly 9-331c)

### "NITED STATES

(		ENT OF					
	9	5. LEASE DESIGNATI	ON AND SERIAL NO.				
BUREAU OF LAND MANAGEMENT							J-76504
	ON FOR PER	RMIT TO DI	RILL, DEE	PEN, OR PLU	JG BACK	ŧ	EE OR TRIBE NAME
1a TYPE OF WORK	recent to					na	
DRIL! B TYPE OF WELL	LX	DEEPEN		PLUG BACK		7. UNIT AGREEMENT <b>na</b>	NAME
OIL	GAS X		SINGLE	7		8. FARM OR LEASE N	IAME
WELL W	ELL (	OTHER	ZONE	MULTIPLE ZONE	X	na na	
2. NAME OF OPERATOR						9. WELL NO.	
The Hous	ton Exploration	on Company	y			North Horses	shoe 9-15-6-21
3. ADDRESS OF OPERATO	PRS					10. FIELD OR LEASE	
1100 Lou	isiana, Suite 2	000 Housto	n, TX, 7700	)2		Undesignate	Mildea
4. LOCATION OF WELL (Re			State requirement)	110 297441		11. Sec., T., R., M., OF	RBLK
at surface 2,057' F	FSL & 758' FEL	NESE 624.	522 X	40.297441 -109.534 <i>9</i> 0		AND SURVEY OR AR	EA
At proposed prod. Zone	same as	above 446		-109.53490	0	Sec. 15 T.6S	, R.21E
14. DISTANCE IN MILES AF	ND DIRECTION FROM NEA	REST TOWN OR PO	ST OFFICE*			12. COUNTY OR PAR	ISH 13. STATE
	south of Verna					Uintah	Utah
15. DISTANCE FROM PRO		PROP. OR LEASE	16. NO. OF ACRES	IN LEASE	17. NO OF ACE TO THIS W	RES ASSIGNED	
LINE , FT. (Also to nearest o	ang. Onlit ime, il any)		720		10 11113 **	40	
16. DISTANCE FROM PRO	POSED LOCATION *	<del> </del>	19. PROPOSED DE	PTH	20 ROTARY OF	R CABLE TOOLS	
TO NEAREST WELL, DRILL			10.7707002552		25.7.07.4.7.0.	NONDEE POOLS	
OR APPLIED FOR, ON THE	S LEASE, FT.	1,800'	}	10,500'	Rotar	у	
21. ELEVATION (SHOW WHETHER DF. RT, GR, etc.)  22. APPROX. DATE WORK							
4,882' (	GR					8,15,	2006
		PROPOSED CA	ASING AND CE	MENT PROGRAM			
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FO				Y OF CEMENT	
11"	8 5/8"	36#	200	0'	238 s	ks	

986 sks 7 7/8" 4 1/2" 11.6# T.D. The operator requests permission to drill the subject well. Please find the attached 10 point plan and 13 point plan.

William A Ryan 290 S 800 E Vernal, UT 84078 435-789-0968

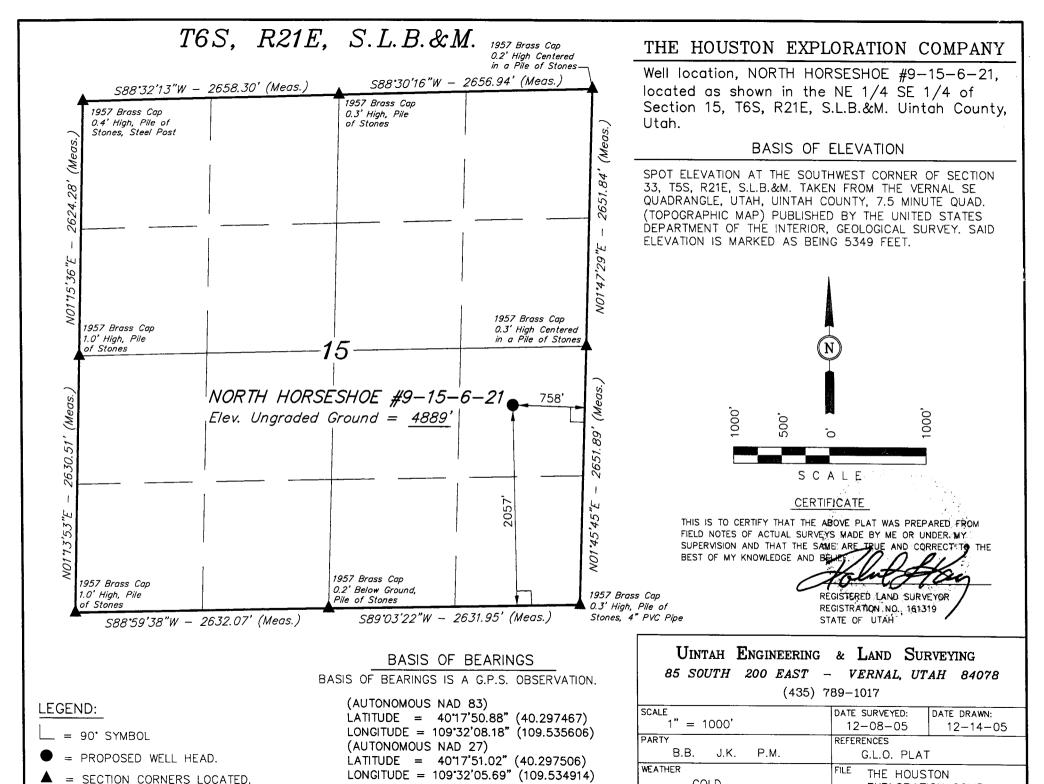
CONFIDENTIAL

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed in to deepen or plug back, give data on proposed productive zone and proposed new productive zone. If proposal is to drill or deepen directional, give pertinent data on subsurface location and measure and true vertical depths. Give blowout preventer program, if any **Agent** TITLE APPROVAL DATE PERMIT NO BRADLEY G. HILL APPROVED BY **ENVIRONMENTAL MANAGER** CONDITIONS OF APPROVA

\*See Instructions on Reverse Side

APR 1 4 2006

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



COLD

EXPLORATION COMPANY

#### Ten Point Plan

#### The Houston Exploration Company

#### North Horseshoe 9-15-6-21

Surface Location NE 1/4 SE 1/4, Section 15, T. 6S., R. 21E.

### 1. Surface Formation Duchesne

#### 2. Estimated Formation Tops and Datum:

Formation	Depth	Datum
Duchesne	Surface	4,882'G.L.
Green River	4,377'	+505'
Wasatch	7,777'	-2,895'
Mesaverde	10,377'	-5,495'
TD	10,500'	-5,618'

A 11" hole will be drilled to 2,000' +/-. The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest.

#### 3. Producing Formation Depth:

Formation objective includes the Green River, Wasatch, Mesaverde and its submembers.

Off set well information

#### Permitted/Drilled:

North Horseshoe #1-15-6-21

North Horseshoe #3-15-6-21

North Horseshoe #5-15-6-21

North Horseshoe #7-15-6-21

North Horseshoe #11-15-6-21

North Horseshoe #13-15-6-21

#### 4. Proposed Casing:

Hole	Casing			Coupling	Casing	
<u>Size</u>	<u>Size</u>	Weight/FT	<u>Grade</u>	& Tread	Depth	New/Used
11	8 5/8	36#	J-55	STC	2000	NEW
7 7/8	4 1/2	11.6#	N-80	LTC	T.D.	NEW

#### **Cement Program:**

Cement volume = Gauge hole + 25%

#### The Surface Casing will be cemented from 2000' to the Surface as follows:

Casing Size Conductor: 0'- 40'	Cement <u>Type</u>	Cement Amounts	Cement <u>Yield</u>	Cement Weight
14"	Premium "5"	35 sks. +/-	1.18ft³/sk	15.6 ppg
Lead: 0'-1,300'				
8 5/8"	Premium "5"	87 sks. +/-	3.82ft³/sk	11.0 ppg
Tail: 1,300'- 2,000'				
8 5/8"	Premium "5"	151 sks. +/-	1.2ft³/sk	15.6 ppg

NOTE:

Cement top for tail = Trona + 200'

### Production casing will be cemented to 200' inside surface casing or higher as follows:

Casing <u>Size</u>	Cement Type	Cement Amounts	Cement <u>Yield</u>	Cement Weight
Lead: 1,800'- 7,577'				
4 1/2"	Premium "5"	499 sks +/-	3.82ft³/sk	11.0 ppg
Tail: 7,577'- TD				
4 ½" NOTE: Cement top for tail =	Premium "5" Wasatch + 200'	487 sks +/-	1.18ft³/sk	15.6 ppg

#### 5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 3000 psi.

A 3000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 8 5/8" surface casing. The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

#### 6. Mud Program:

Interval	Mud weight lbs./gal.	Viscosity Sec./OT.	Fluid Loss MI/30 Mins.	Mud Type
0-2000 2000-T.D.	Air/Clear Water 8.4-12.0	30	No Control 8-10	Water/Gel Water/Gel

#### 7. Auxiliary Equipment

Upper Kelly cock, full opening stabbing valve, 2 ½" choke manifold and pit level indicator.

#### 8. Testing, Coring, Sampling and Logging:

a)	Test:	None are anticipated.
b)	Coring:	There is the possibility of sidewall coring.
c)	Sampling:	Every 10' from 2000' to T.D.

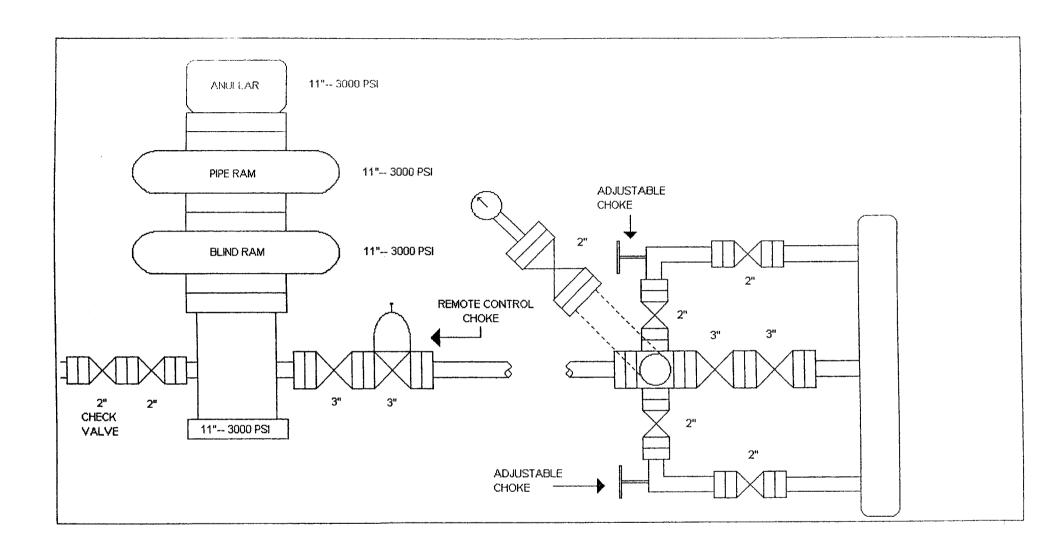
d) Logging: Type Interval
DLL/SFL W/GR and SP T.D. to Surf. Csg
FDC/CNL W/GR and CAL T.D. to Surf. Csg

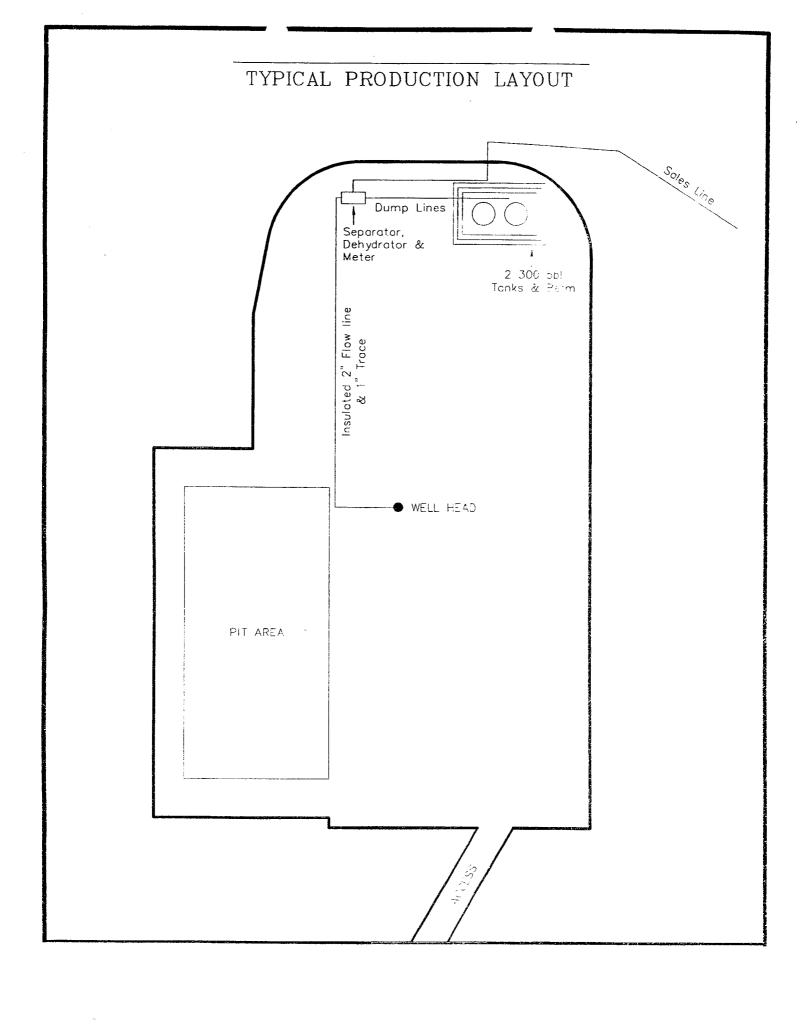
#### 9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H2S.

#### 10. Drilling Schedule:

The anticipated starting date is 8/15/2006. Duration of operations is expected to be 30 days.





# THE HOUSTON EXPLORATION COMPANY 13 POINT SURFACE USE PLAN

FOR WELL

**NORTH HORSESHOE 9-15-6-21** 

LOCATED IN NE 1/4 SE 1/4

**SECTION 15, T.6S, R21E, S.L.B.&M.** 

**UINTAH COUNTY, UTAH** 

**LEASE NUMBER: UTU-76504** 

**SURFACE OWNERSHIP: FEDERAL** 

#### 1. Existing Roads:

The Houston Exploration Co. North Horseshoe 9-15-6-21 Section 15, T6S, R 21E

Starting in Vernal, Utah: Proceed in an easterly, then southerly direction from Vernal, Utah along U.S. Highway 40 approximately 3.9 miles to the junction of State Highway 45; exit right and proceed in a southerly, then southeasterly direction approximately 7.2 miles on State Highway 45 to the junction of this road and an existing road to the southwest; turn right and proceed in a southwesterly, then westerly, then southerly direction approximately 2.0 miles to the junction of this road and an existing road to the northwest; turn right and proceed in a northwesterly direction approximately 0.5 miles to the beginning of the proposed access to the southeast; follow road flags in a southeasterly, then southwesterly, then southeasterly, then southwesterly direction approximately 0.3 miles to the proposed location.

## Total distance from Vernal, Utah to the proposed well location is approximately 13.9 miles.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map for additional details.

#### 2. Planned access road

The proposed access road will be approximately 1,584' of new construction on lease. The road will be graded once per year minimum and maintained.

A) Approximate length	1584 ft
B) Right of Way width	30 ft
C) Running surface	18 ft
D) Surface material	Native soil
E) Maximum grade	8%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road Flagged	Yes
K) Access road surface	ownership
	Federal
L) All new construction	on lease

D) An new construction on lease

Yes

M) Pipe line crossing

None

Please see the attached location plat for additional details.

### An off lease right-of-way will not be required.

All surface disturbances for the road and location will be within the lease boundary.

#### 3. Location of existing wells

The following wells are located within a one-mile radius of the location site.

A) Producing well	None
B) Water well	None
C) Abandoned well	None
D) Temp. abandoned well	None
E) Disposal well	None
F) Drilling /Permitted well	

F) Drilling /Permitted well North Horseshoe 1-15-6-21 North Horseshoe 5-15-6-21 North Horseshoe 7-15-6-21 North Horseshoe 3-15-6-21 North Horseshoe 11-15-6-21 North Horseshoe 13-15-6-21

G) Shut in wells

None

H) Injection well

None

I) Monitoring or observation well
None

Please see the attached map for additional details.

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Carlsbad Canyon** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is **Carlsbad Canyon**.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulation identified in 43 CFR 3126.7.

All off lease storage, off lease measurement, commingling on lease

or off lease, of production, will have prior written approval form the authorized officer.

If the well is capable of economic production a surface gas line will be required.

Approximately 1,674' of 3" steel surface gas gathering line would be constructed on Federal Lands. The line is proposed as surface due to topography, sensitive soils and bedrock sandstone. The line will tie into a proposed pipeline in Section 15, T6S, R21E. The pipeline would be strung and boomed to the northeast of the location and parallel to the access road.

An off lease right-of-way will not be required.

Please see the attached location diagrams for pipeline location.

The gas meter run will be located within 500' of the wellhead. The gas line will be buried or anchored down from the wellhead to the meter.

Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration report will be

submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

#### 5. Location and type of water supply

Water for drilling and cementing will come from The Green River Permit # T-76073.

#### 6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravel or pit lining material will be obtained from private resources.

#### 7. Methods for handling waste disposal

#### A) Pit construction and liners:

The reserve pit will be approximately **12 ft**. deep and most of the depth shall be below the surface of the existing ground Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semiclosed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

#### B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer. Evaporation may be used instead of trucking to facilitate closing and reclamation of the reserve pit. A pumping system would be used for evaporation.

#### C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized landfill location.

#### D) Sewage:

A portable chemical toilet will be supplied for human waste.

#### E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

#### 8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

#### 9. Well-site layout

Location dimensions are as follows:

A) Pad length	345 ft.
B) Pad width	245 ft.
C) Pit depth	12 ft.
D) Pit length	150 ft.
E) Pit width	75 ft.
F) Max cut	18.1 ft.
G) Max fill	26.5 ft.
H) Total cut yds.	17,900 cu yds
I) Pit location	West end
TO 200	

J) Top soil location

South end

#### K) Access road location

East end Corner C

L) Flare Pit

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at leas 42 inches.

- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

#### 10. Plans for restoration of the surface

Prior to construction of the location. the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately 2,020 cubic yards of material. Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be recontoured.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be recontoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

#### A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed. The seed mix and quantity list will be used whether the seed is broadcast or drilled.

#### B) Interim Seed Mix

4#/acre Indian Rice Grass 4#/acre Crested Wheat Grass 4#/acre Needle & Thread Grass

#### 11. Surface ownership:

Access road Federal Location Federal Pipe line Federal

#### 12. Other information:

#### A) Vegetation

The vegetation coverage is slight. The majority of the existing vegetation consists of non-native species. Rabbit brush, bitter brush, and Indian Rice grass and Sagebrush are also found on the location.

#### B) Dwellings:

There are no dwellings or other facilities within a one-mile radius of the location.

#### C) Archeology:

The location has been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity

(subject to the antiquities act of June 8, 1906) are discovered, all operations, which would affect such sites, will be suspended and the discovery reported promptly to the surface management agency.

#### D) Water:

The nearest water is the Green River located 5,100' to the Southeast.

#### E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

#### F) Notification:

- a) Location Construction
  At least forty eight (48)
  hours prior to
  construction of location
  and access roads.
- b) Location completion prior to moving on the drilling rig.
- c) Spud notice At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing
  At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests At least twenty-four (24) hours prior to initial pressure tests.

f) First production notice Within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

#### G) Flare pit:

The flare pit will be located in **corner C** of the reserve pit out side the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

### 13. Lessees or Operator's representative and certification

#### A) Representative

William A. Ryan Rocky Mountain Consulting 290 S 800 E Vernal, UT 84078

Office 435-789-0968 Fax 435-789-0970 Cellular 435-828-0968

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

#### B) Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be preformed by The Houston Exploration Company and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Onsite Dates: 3/23/06

#### **Self Certification Statement**

The following self-certification statement is provided per Federal requirements dated June 15, 1988.

Please be advised that The Houston Exploration Company is considered to be the operator of the following well:

North Horseshoe #9-15-6-21 Section 15, T. 6S, R. 21E NE ¼ of the SE ¼ Lease UTU-76504 Uintah County, Utah

The Houston Exploration Company is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond UTU-104155044 provides statewide bond coverage on all Federal Lands.

Date 4-17-06

William A. Ryan, Agent

Rocky Mountain Consulting

#### Statement of use of Hazardous Materials

No chemical(s) from the EPA's consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

William A Ryan Agent for The Houston Exploration Company Rocky Mountain Consulting 290 S 800 E Vernal, UT 84078

435-789-0968 Office 435-828-0968 Cell 435-789-0970 Fax

### THE HOUSTON EXPLORATION COMPANY

NORTH HORSESHOE #9-15-6-21

LOCATED IN UINTAH COUNTY, UTAH **SECTION 15, T6S, R21E, S.L.B.&M.** 

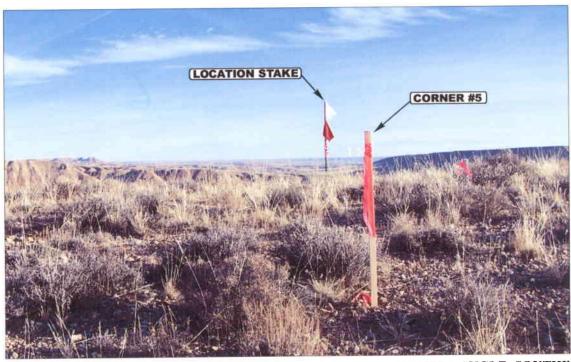


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

**CAMERA ANGLE: SOUTHEASTERLY** 



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

**CAMERA ANGLE: SOUTHERLY** 



Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078

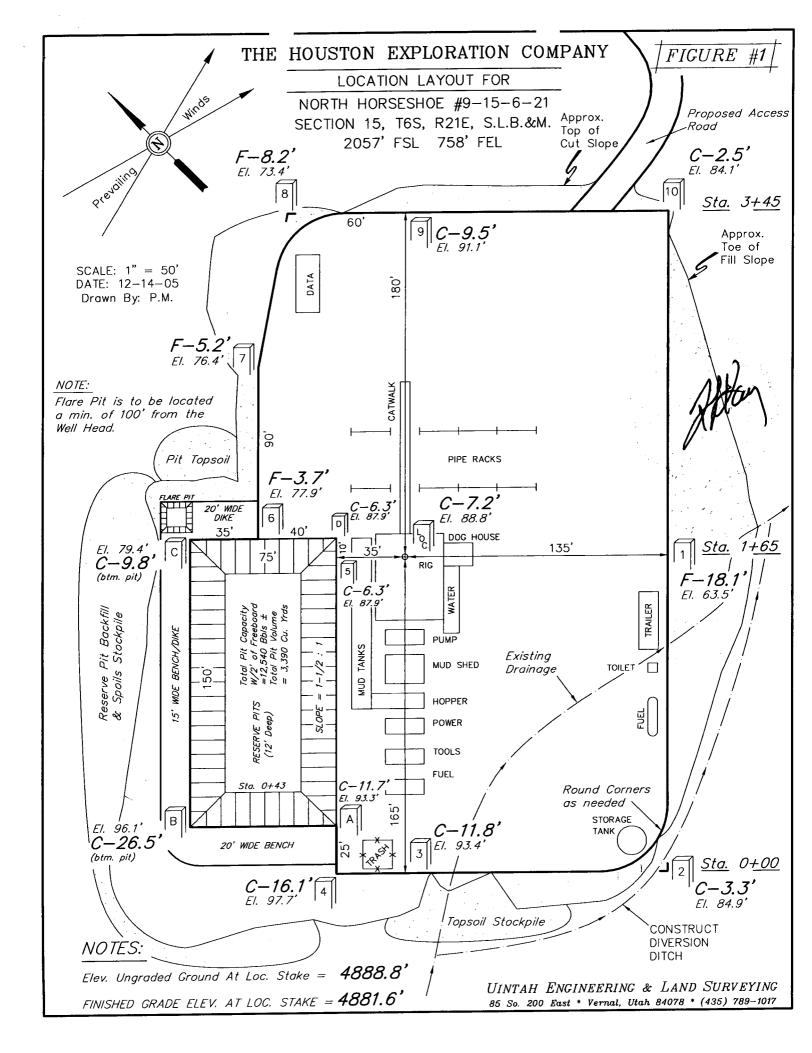
435-789-1017 uels@uelsinc.com

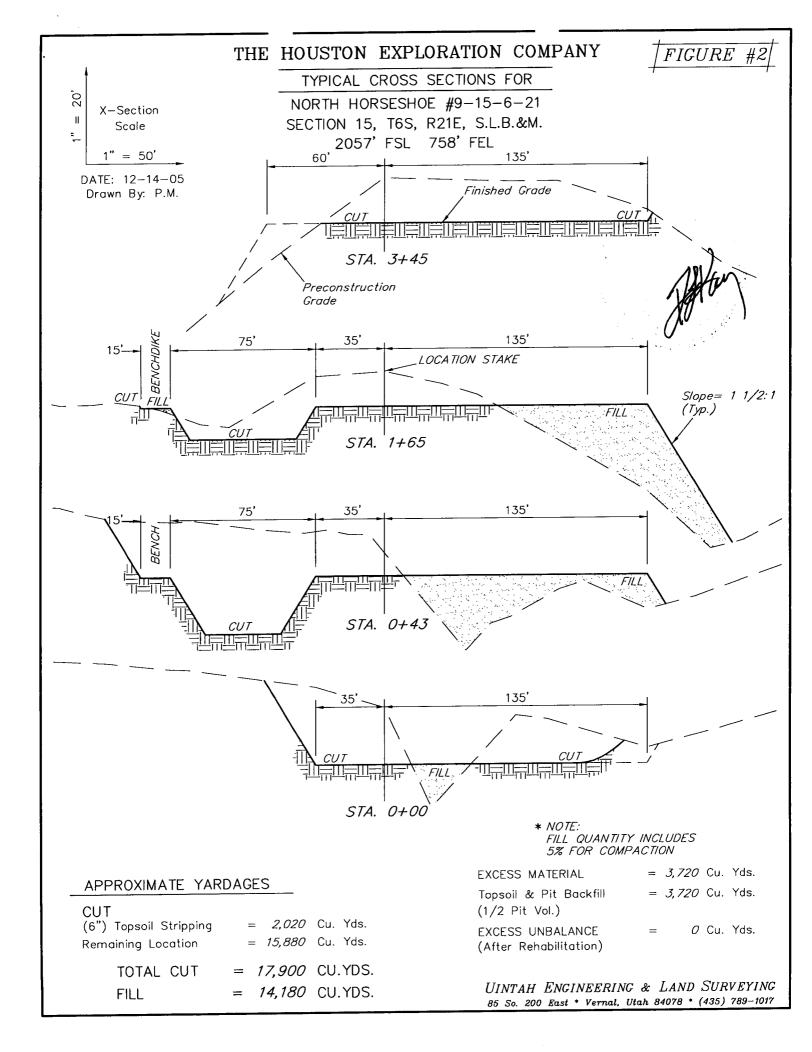
LOCATION PHOTOS

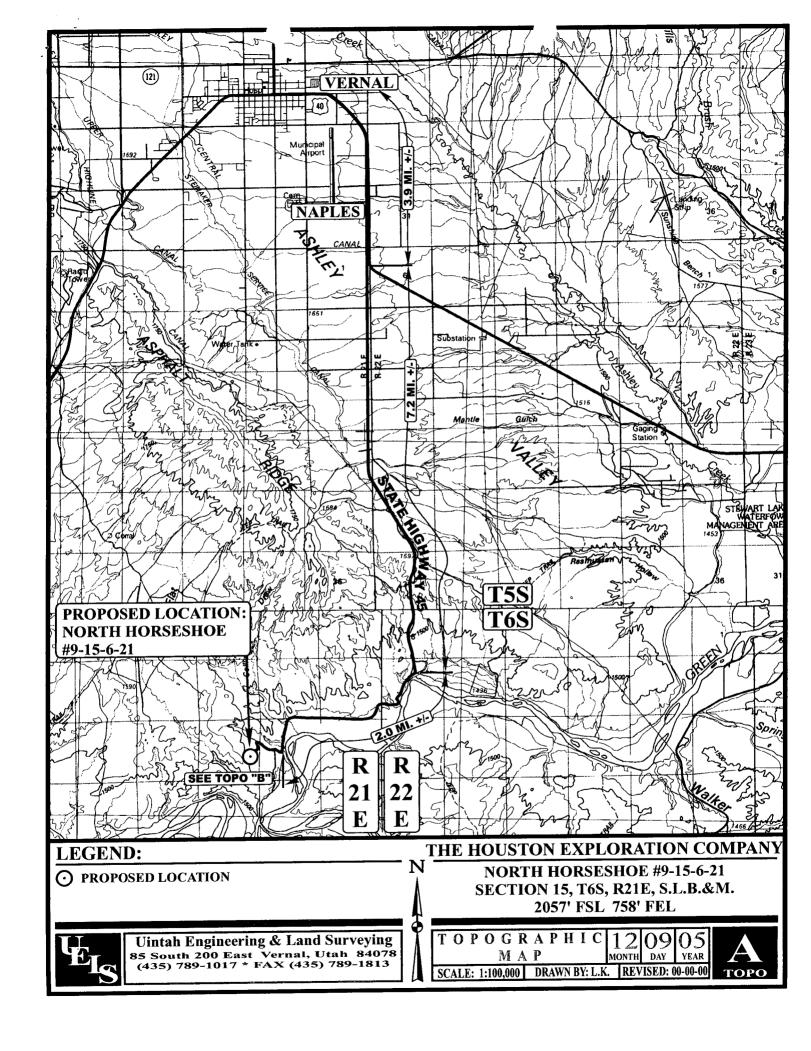
MONTH DAY YEAR

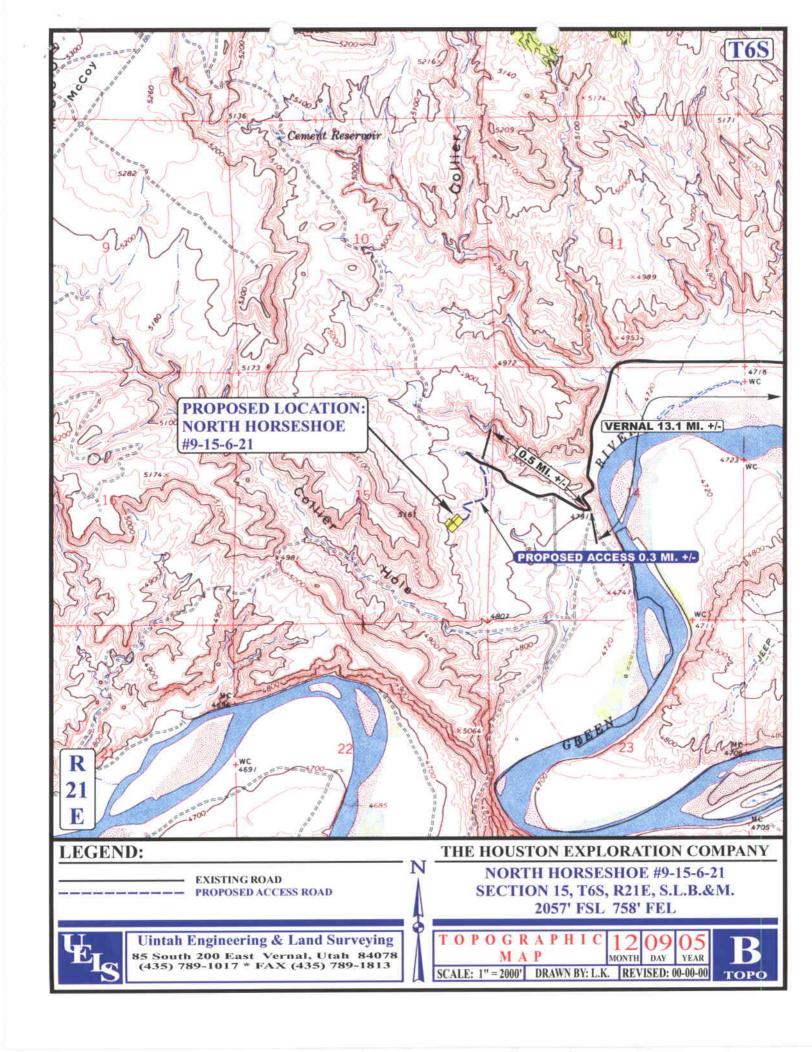
PHOTO

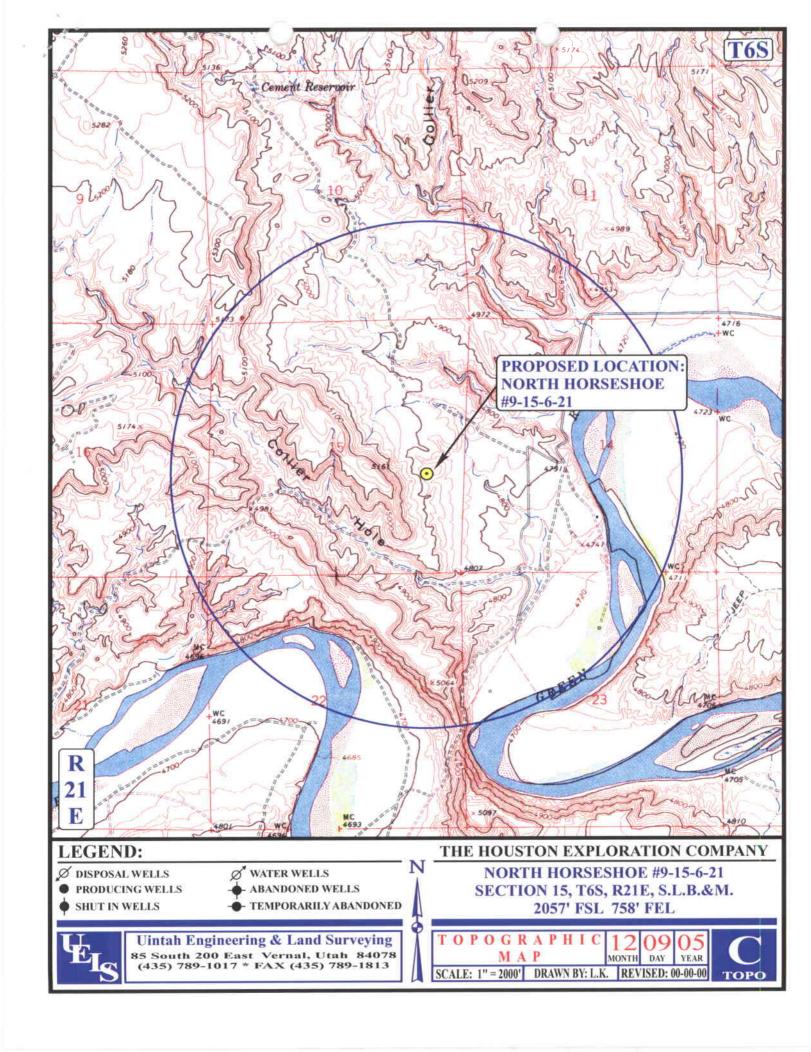
TAKEN BY: B.B. | DRAWN BY: L.K. | REVISED: 00-00-00

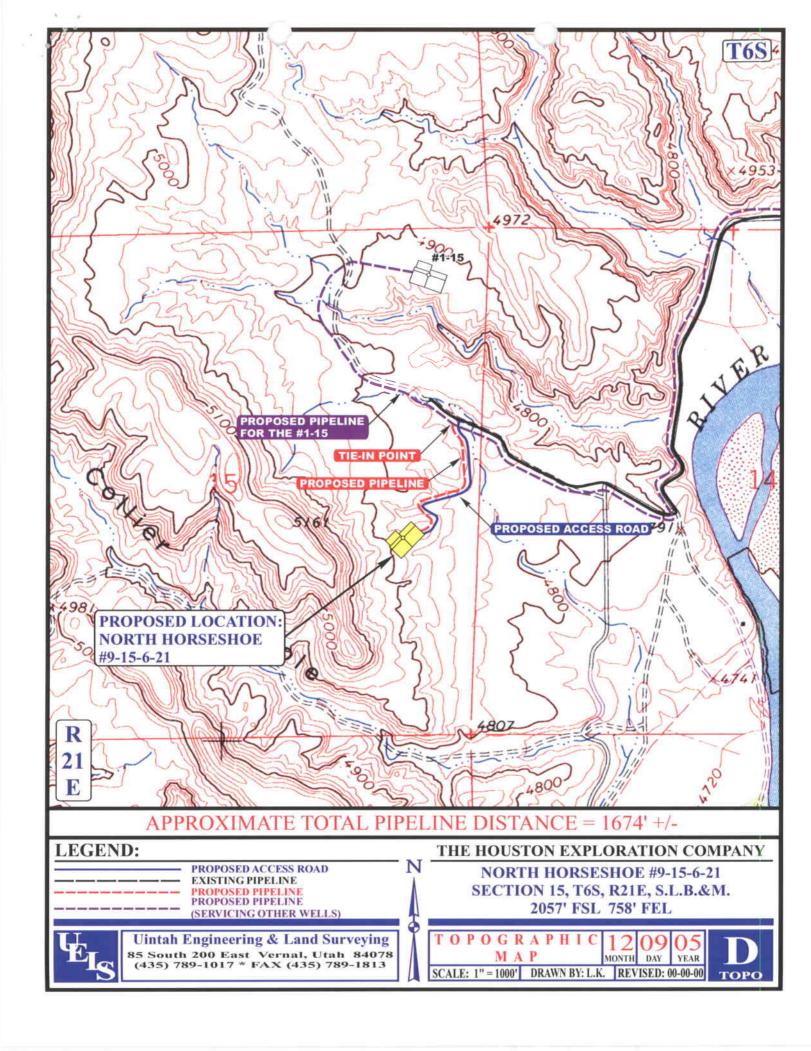






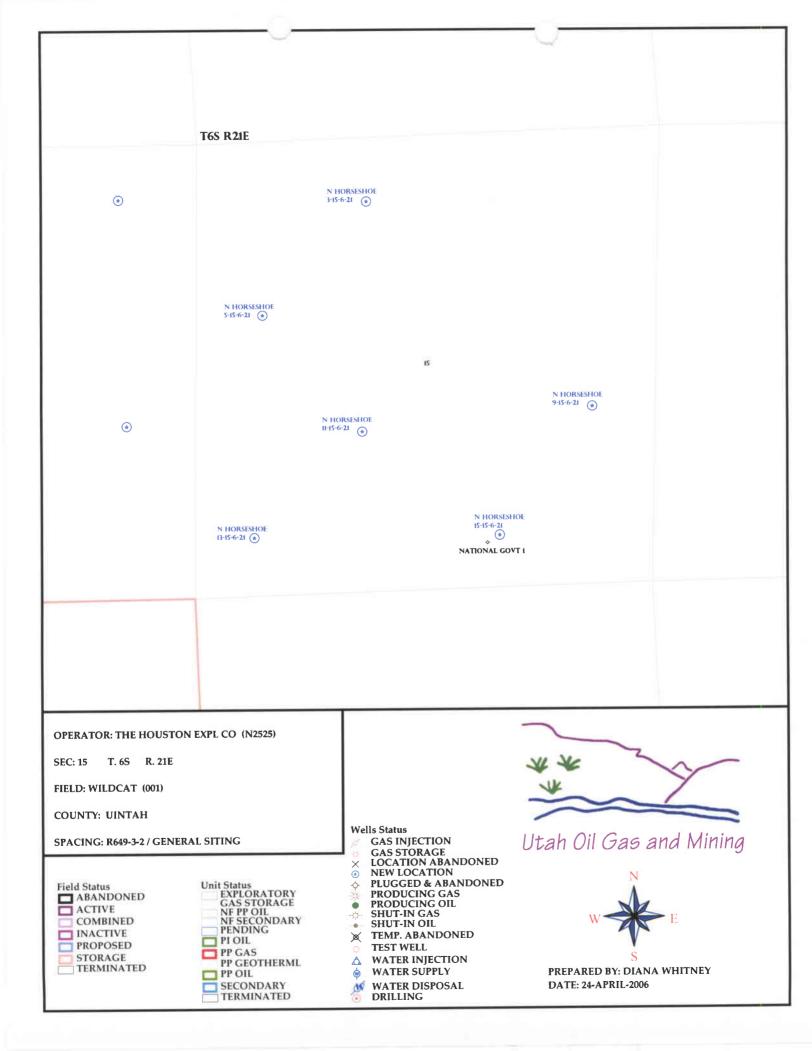






### WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/14/2006		API NO. ASSIGNED: 43-047-38016		
WELL NAME: N HORSESHOE 9-15-6-21 OPERATOR: HOUSTON EXPLORATION CO, ( N2525 ) CONTACT: BILL RYAN		PHONE NUMBER:	435-789-0968	3
PROPOSED LOCATION:		INSPECT LOCATN	<del> </del>	
NESE 15 060S 210E SURFACE: 2057 FSL 0758 FEL		Tech Review	Initials	Date
BOTTOM: 2057 FSL 0758 FEL		Engineering		
COUNTY: UINTAH  LATITUDE: 40.29744 LONGITUDE: -109.5349		Geology		
UTM SURF EASTINGS: 624522 NORTHINGS: 44615	90	Surface		
FIELD NAME: WILDCAT ( 1  LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU-76504  SURFACE OWNER: 1 - Federal	,	PROPOSED FORMA COALBED METHAN		D
RECEIVED AND/OR REVIEWED:	LOCATI	ON AND SITING:		
✓ Plat         ✓ Bond: Fed[1] Ind[] Sta[] Fee[]         (No. UTU-104155044 )         ✓ Potash (Y/N)         ✓ Oil Shale 190-5 (B) or 190-3 or 190-13         ✓ Water Permit (No. T-76073 )         ✓ RDCC Review (Y/N) (Date:)         ✓ WA Fee Surf Agreement (Y/N)         ΛΜ Intent to Commingle (Y/N)	Unit:_ R S R	649-2-3.  649-3-2. Generating: 460 From Qualified Unit Board Cause No: Eff Date: Siting:	tr/Qtr & 920' Botion	
STIPULATIONS: 1- lederly Oggand 2- Opacing Styp				





#### State of Utah

### Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

April 25, 2006

The Houston Exploration Company 1100 Louisiana, Suite 2000 Houston, TX 77002

Re: North Horseshoe 9-15-6-21 Well, 2057' FSL, 758' FEL, NE SE, Sec. 15, T. 6 South, R. 21 East, Uintah County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38016.

Sincerely,

Gil Hunt

Associate Director

The The

mf Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator:		The Houston Exploration Company			
Well Name & Number_		North Horseshoe 9-15-6-21			
API Number:		43-047-38016			
Lease:		UTU-76504			
Location: <u>NE SE</u>	Sec. 15	T. 6 South	R. 21 East		

#### **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

#### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

### Ten Point Plan

### **The Houston Exploration Company**

North Horseshoe 9-15-6-21

Surface Location NE 1/4 SE 1/4,

Section 15, T. 6S., R. 21E.

43.047.38014

RECHE/ED AUG 1 6 2006

### 1. Surface Formation Uintah

#### 2. Estimated Formation Tops and Datum:

Formation		Depth	<u>Datum</u>
Uintah		Surface	4,889'
Green River		4,377'	512'
Birds Nest	Water	4,577'	312'
Wasatch	Oil/Gas	7,777'	-2,888'
Mesaverde	Oil/Gas	10,377'	-5,488'
TD		10,500'	-5,611'

A 17 ½" hole will be drilled to 4,577' +/-. The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest. All fresh water and oil and gas baring zones shall be protected by casing and cement program.

#### 3. Producing Formation Depth:

Formation objective includes the Wasatch, Mesaverde and their sub-members.

#### 4. Proposed Casing:

Hole	Casing			Coupling	Casing	
<u>Size</u>	<u>Size</u>	Weight/FT	<u>Grade</u>	& Tread	<u>Depth</u>	New/Used
30	26	68.75#	A430		40'	NEW
24	20	94#	H-40	ST&C	350'	NEW
17 1/2	13 3/8	85#	N-80	ST&C	4,577'	NEW
12	9 5/8	53.5#	N-80	LT&C	7,777	NEW
7 7/8	4 1/2	11.6#	P-110	LT&C	9,400'	NEW
7 7/8	4 1/2	13.5#	P-110	LT&C	10,500'	NEW

#### **Cement Program:**

#### Conductor casing #1 will be cemented as follows from 0'-40':

Note: Cement Volume = Gauge hole + 50%

	Casing Size	Cement <u>Type</u>	Cement Amounts	Cement Yield	Water <u>Mix</u>	Cement Weight
Lead:	26	Portland CMT Class IA 4 Integral Air-entraining	42 sks +/- Agent	1.15ft³/sk	5	15.8 ppg

Conductor casing #2 will be cemented as follows from	0'- 350':
--	-----------

Ceme	ent volum	e = Gauge hole + 5	0%			
	Casing	Cement	Cement	Cement	Water	Cement
	<u>Size</u>	<u>Type</u>	<u>Amounts</u>	<u>Yield</u>	<u>Mix</u>	Weight
Lead:						
	20	Portland CMT	247 sks +/-	1.5ft³/sk	5	15.8 ppg

Class "G" 2% Calcium Chloride

1/4#/sk Flocele

#### The Surface Casing will be cemented as follows from 0'- 4,577':

Ceme	ent volume	= Gauge hole + 2	5%			
	Casing	Cement	Cement	Cement	Water	Cement
	Size	<u>Type</u>	<u>Amounts</u>	<u>Yield</u>	<u>Mix</u>	Weight
Lead:						
	13 3/8"	Premium "5" 16% Gel 10#/sk Gilsonite 3% Salt 3#/sk GB3	987 sks. +/-	3.82ft <sup>3</sup> /sk	23	11.0 ppg
Tail:						
	13 3/8"	Class "G" 2% Calcium Chlor 0.25#/sk Flocele	294 sks. +/-	1.18ft³/sk	5	15.6 ppg
Top J	lob:					
•		Class "G" 4% Calcium Chlor 0.25#sk Flocele	10-200 sks. +/-	1.15ft <sup>3</sup> /sk	5	15.8 ppg

#### Intermediate casing will be cemented as follows from 4,377'- 7,777':

#### Cement volume = Gauge hole + 25%

	Casing <u>Size</u>	Cement <u>Type</u>	Cement Amounts	Cement <u>Yield</u>	Water <u>Mix</u>	Cement <u>Weight</u>
Lead:	9 5/8"	50/50 POZ'G 5% Salt (BWOW) 0.6% HALAD 322	972 sks +/-	1.25ft³/sk	5.26	14.35 ppg

0.25#/sk Flowcele 0.2% Super CBL 2% Micro Bond

#### Production casing will be cemented as follows from 7,577'- 10,500:

Note: Lead should be 200' above the Wasatch.

**Cement volume = Gauge hole + 25%** 

Casing	Casing	Cement	Cement	Cement	Water	Cement
<u>Depth</u>	<u>Size</u>	<u>Type</u>	<u>Amounts</u>	<u>Yield</u>	<u>Mix</u>	Weight
Lead:						
	$4^{1/2}$	PREM.AG300	448 sks +/-	1.73ft³/sk	8.17	13.5 ppg
		50/50 POZ "G" CM	T			
		2% Gel				
		0.4% Halad 344				
		0.25% HR-12				
		0.2% CFR-3				
		5#/sk Sillicalite				
		20% SSA-1				
		0.25#/sk Flowcele				
		0.2% Super CBL				

#### 5. BOP and Pressure Containment Data:

A 5000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 13 3/8" surface casing. An upper kelly cock to the required pressure rating with a handle available shall be employed.

The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

#### 6. Mud Program:

Interval	Mud weight lbs./gal.	Viscosity Sec./OT.	Fluid Loss M1/30 Mins.	Mud Type
0-2000 4,577-T.D.	Air/Clear Water 8.4-12.0	30-45	No Control 8-10	Water/Gel LSND vater based mud system

**Note:** Mud weights may exceed 12.0 due to solids increasing at or near T.D. Increased weights are not required to control formation pressure. Operator will have on location sufficient mud and weight material to increase mud weight to 12.0 at any time while drilling the subject well. Visual mud monitoring incorporating pit level indicators shall be used.

#### 7. Testing, Coring, Sampling and Logging:

a) DST: None are anticipated.

b) Coring: There is the possibility of sidewall coring.

c) Mud Sampling: Every 10' from 4,577' to T.D.

d) Logging: Type Interval

DLL/SFL W/GR and SP
T.D. to Surf. Csg
FDC/CNL W/GR and CAL
T.D. to Surf. Csg

#### 8. Abnormalities (including sour gas)

Anticipated bottom hole pressure will be less than 5000 psi. No abnormal pressures, temperatures or other hazards are anticipated. Other wells drilled in the area have not encountered over pressured zones or H2S.

#### 9. Other facets of the proposed operation:

Off set well information None

#### 10. Drilling Schedule:

The anticipated starting date is 8/15/2006. Duration of operations is expected to be 30 days.

#### STATE OF UTAH

. <b>§</b>	
	FORM 9
to firm	1 011111 0

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING	5. LEASE DESIGNATION AND SERIAL NUMBER:
	UTU-76504
SUNDRY NOTICES AND REPORTS ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL GAS WELL OTHER	8. WELL NAME and NUMBER: North Horseshoe 9-15-6-21
2. NAME OF OPERATOR:	9. API NUMBER:
The Houston Exploration Company  3. ADDRESS OF OPERATOR: [PHONE NUMBER]	4304738016
1100 Louisiana Suite 2000 CITY Houston STATE TX ZIP 77002 (713) 830	
4. LOCATION OF WELL	
FOOTAGES AT SURFACE: 2057' FSL & 758' FEL	соилту: <b>Uintah</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 15 6S 21E	STATE: <b>UTAH</b>
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE	E, REPORT, OR OTHER DATA
TYPE OF SUBMISSION TYPE OF ACTI	ON
NOTICE OF INTENT  Software to District Of Intent	REPERFORATE CURRENT FORMATION
(Submit in Duplicate) ALTER CASING FRACTURE TREAT  Approximate date work will start: CASING REPAIR NEW CONSTRUCTION	SIDETRACK TO REPAIR WELL
Approximate date work will start: CASING REPAIR NEW CONSTRUCTION  CHANGE TO PREVIOUS PLANS OPERATOR CHANGE	TEMPORARILY ABANDON
CHANGE TUBING PLUG AND ABANDON	UBING REPAIR VENT OR FLARE
SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK	WATER DISPOSAL
(Submit Original Form Only)  CHANGE WELL STATUS  PRODUCTION (START/RES)	<u></u>
Date of work completion:  COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SIT	
CONVERT WELL TYPE RECOMPLETE - DIFFERENT	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, do	epths, volumes, etc.
Operator respectfully requests to extend approval for the subject location for one ye	
The second of th	
Approved by the	
Utah Division of	
Oil, Gas and Mining	
Date: 04-16-02-0	\
Z X AM	+
By:	4-11-107
- Alex	4.00%
	in pp. <del>vA</del>
NAME (PLEASE PRINT). William A. Ryan	
NAME (PLEASE PRINT) WIIIIAM A. Hyan	
SIGNATURE William a Tryan DATE 4/11/200	07

**RECEIVED** APR 1 3 2007

(This space for State use only)

#### **Application for Permit to Drill Request for Permit Extension Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API:

4304738016

Well Name: North Horseshoe 9-15-6-21  Location: Section 15, Township 6 South, Range 21 I  Company Permit Issued to: The Houston Explorate Original Permit Issued: 4/25/2006				
The undersigned as owner with legal rights to drabove, hereby verifies that the information as suapproved application to drill, remains valid and d	bmitted in the previously			
Following is a checklist of some items related to verified.	the application, which should be			
f located on private land, has the ownership cha agreement been updated? Yes□No☑	inged, if so, has the surface			
Have any wells been drilled in the vicinity of the label he spacing or siting requirements for this location				
Has there been any unit or other agreements pur permitting or operation of this proposed well? Ye				
Have there been any changes to the access route including ownership, or right- of-way, which could affect the proposed location? Yes□No ☑				
Has the approved source of water for drilling cha	anged? Yes□ No☑			
Have there been any physical changes to the su which will require a change in plans from what w evaluation? Yes□No☑	rface location or access route ras discussed at the onsite			
s bonding still in place, which covers this propos	sed well? Yes ☑No □			
Signature Signature	4/11/2007 Date			
	Date			
Title: Agent				
Representing: The Houston Exploration Company				
	RECEIVED			

APR 1 3 2007

#### Division of Oil, Gas and Mining

#### OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ

CDW Change of Operator (Well Sold) X - Operator Merger The operator of the well(s) listed below has changed, effective: 6/1/2007 FROM: (Old Operator): **TO:** ( New Operator): N2525 - The Houston Exploration Company N6965-Forest Oil Corporation 1100 Louisiana, Suite 2000 707 17th St. Suite 3600 Houston, TX 77002 Denver, CO 80202 Phone: 1-(713) 830-6800 Phone: 1 (303) 812-1755 CA No. Unit: WELL NAME SEC TWN RNG API NO ENTITY LEASE WELL WELL NO TYPE TYPE **STATUS** SEE ATTACHED LIST OPERATOR CHANGES DOCUMENTATION Enter date after each listed item is completed (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 7/30/2007 (R649-8-10) Sundry or legal documentation was received from the NEW operator on: 7/30/2007 The new company was checked on the Department of Commerce, Division of Corporations Database on: 7/31/2007 4a. Is the new operator registered in the State of Utah: **Business Number:** 571171-0143 4b. If **NO**, the operator was contacted contacted on: 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE 5b. Inspections of LA PA state/fee well sites complete on: 5c. Reports current for Production/Disposition & Sundries on: YES Federal and Indian Lease Wells: The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 7/31/2007 BIA 7. Federal and Indian Units: The BLM or BIA has approved the successor of unit operator for wells listed on: n/a Federal and Indian Communization Agreements ("CA"): The BLM or BIA has approved the operator for all wells listed within a CA on: n/a **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a **DATA ENTRY:** Changes entered in the Oil and Gas Database on: 8/27/2007 Changes have been entered on the Monthly Operator Change Spread Sheet on: 8/27/2007 3. Bond information entered in RBDMS on: 8/27/2007 4. Fee/State wells attached to bond in RBDMS on: 8/27/2007 5. Injection Projects to new operator in RBDMS on: n/a Receipt of Acceptance of Drilling Procedures for APD/New on: 7/30/2007 **BOND VERIFICATION:** Federal well(s) covered by Bond Number: 6236351 Indian well(s) covered by Bond Number: n/a 3a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 6218963 3b. The **FORMER** operator has requested a release of liability from their bond on: not vet LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on:

8/1/2007

**COMMENTS:** 

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES

Ι	DIVISION OF OIL, GAS AND MI			SE DESIGNATION AND SERIAL NUMBER:		
		See Attached List  6. IF INDIAN, ALLOTTEE OR TRIBE NAME:				
SUNDRY	NOTICES AND REPORTS	S ON WELLS	0. 11-11	NDIAN, ALLOTTEE OR TRIBE NAME:		
Do not use this form for proposals to drill ne drill horizontal lat	ew wells, significantly deepen existing wells below cur terals. Use APPLICATION FOR PERMIT TO DRILL f	rent bottom-hole depth, reenter pli orm for such proposals.	ugged wells, or to 7. UNI	T or CA AGREEMENT NAME:		
1. TYPE OF WELL OIL WELL	GAS WELL OTHER		_	LL NAME and NUMBER:		
2. NAME OF OPERATOR:	11.0.			NUMBER:		
Forest Oil Corporation	N6965		vari			
3. ADDRESS OF OPERATOR: 707 17th Street, #3600	, Denver, STATE CO ZIP	80202 PHONE NU (303) 8	MBER: 10. FIE 312-1755	ELD AND POOL, OR WILDCAT:		
4. LOCATION OF WELL	SIAIE ZIP					
FOOTAGES AT SURFACE: See at	tached list		COUN	Υ:		
QTR/QTR, SECTION, TOWNSHIP, RANG	GE, MERIDIAN:		STATE	: UTAH		
CHECK ADDE	ODDIATE DOVER TO INDICAT	E NATURE OF NO	FIGE DEPONT O			
TYPE OF SUBMISSION	ROPRIATE BOXES TO INDICAT	TYPE OF A		R OTHER DATA		
	ACIDIZE	DEEPEN DEEPEN	СПОМ	REPERFORATE CURRENT FORMATION		
NOTICE OF INTENT (Submit in Duplicate)	ALTER CASING	FRACTURE TREAT		SIDETRACK TO REPAIR WELL		
Approximate date work will start:	CASING REPAIR	NEW CONSTRUCTION		TEMPORARILY ABANDON		
	CHANGE TO PREVIOUS PLANS	OPERATOR CHANGE		TUBING REPAIR		
	CHANGE TUBING	PLUG AND ABANDON		VENT OR FLARE		
SUBSEQUENT REPORT (Submit Original Form Only)	CHANGE WELL NAME	PLUG BACK		WATER DISPOSAL		
Date of work completion:	CHANGE WELL STATUS	PRODUCTION (START/F		WATER SHUT-OFF		
	COMMINGLE PRODUCING FORMATIONS	RECLAMATION OF WEL	191	отнея: Change of Operator		
	CONVERT WELL TYPE  MPLETED OPERATIONS. Clearly show all p	RECOMPLETE - DIFFER		N2525		
Effective 6/1/2007 please of N-2525) to Forest Oil Corp document is attached The Forest Oil Corporation as approved operations conductor Forest Oil Corporation med Please send all future correspond to Corporation, 700 Julius J. C. Ridens, Senior Vice Forest Oil Corporation for Corporation, 700 Julius J. C. Ridens, Senior Vice Forest Oil Corporation for Corporation, 700 Julius J. C. Ridens, Senior Vice Forest Oil Corporation for Corporation	change the operator for the attactoration (N-6965). Forest mergene contract operated wells will conew operator, accepts all applicated on the lease or portion of the ets the State of Utah bonding recessory and the state of Utah bonding recessory	thed list of Utah wells d with The Houston Entinue to be contract ble terms, conditions he lease described. Quirements under Satration at the above lister, CO 80202	s from The Houston Exploration Compa operated by Endurence s, stipulations and sfeco bond #621890 sted address.  7 -5 -0  Date	n Exploration Company any, a copy of the merger ring. restrictions concerning 63.		
NAME (PLEASE PRINT) Joanne C.	Hresko /	TITLE Vice	President & Gene	ral Mgr Northern Division		
SIGNATURE DAMM	e C. Thishis	DATE	7-5.07			
(This space for State use only)	Λ	il walle	with AP	Dor New  RECFIVED		
APPROVED	8127101 A	status	NIPLIN	DECENTER		
Can Z		Julus		RECEIVED		
Division of Oil, Gas a	and Mining	uctions on Reverse Side)		JUL 3 0 2007		
Earlene Russell, Engin	neering Technician		!	UIN UE UII CVO & MINIMO I		

DIN UE UIT CVC & MINING MUL

well name	sec	twp 1	rng	api	entity	lease	well	stat	flag
HORSESHOE BEND 16-33	33			4304736214	Chilley	Federal	OW	APD	Tiug
HORSESHOE BEND 3-33	33			4304736215		Federal	ow	APD	
N HORSESHOE 7-16-6-21	16			4304737438		State	GW	APD	С
N HORSESHOE 9-16-6-21	16			4304737439		State	GW	APD	C
N HORSESHOE 15-16-6-21	16			4304737440		State	GW	APD	C
N HORSESHOE 11-16-6-21	16			4304737441		State	GW	APD	C
N HORSESHOE 1-16-6-21	16			4304737442		State	GW	APD	C
N HORSESHOE 13-2-6-21	02			4304737476	-	State	GW	APD	C
N HORSESHOE 15-2-6-21	02			4304737477		State	GW	APD	C
GUSHER 2-2-6-19	02			4304737561		State	ow	APD	C
GUSHER 16-2-6-19	02			4304737562		State	ow	APD	C
GUSHER 1-2-6-19	02			4304737563		State	OW.	APD	C
GUSHER 3-2-6-19	02			4304737568		State	ow	APD	C
E COYOTE 6-2-8-25	02			4304737572		State	GW	APD	C
E COYOTE 3-2-8-25	02			4304737573		State	GW	APD	C
E COYOTE 8-2-8-25	02			4304737574		State	GW	APD	C
N HORSESHOE 13-16-6-21	16			4304737575		State	GW	APD	C
E COYOTE 4-2-8-25	02			4304737882		State	GW	APD	C
E COYOTE 14-2-8-25	02			4304737883		State	GW	APD	C
E COYOTE 10-2-8-25	02			4304737884		State	GW	APD	C
E COYOTE 16-2-8-25	02			4304737885		State	GW	APD	C
E COYOTE 12-2-8-25	02			4304737886		State	GW	APD	C
N HORSESHOE 16-18-6-22	18			4304737887		Federal	GW	APD	C
N HORSESHOE 14-18-6-22	18			4304737888		Federal	GW	APD	C
N HORSESHOE 2-18-6-22	18	-		4304737889		Federal	GW	APD	C
N HORSESHOE 10-18-6-22	18			4304737890		Federal	GW	APD	C
N HORSESHOE 8-18-6-22	18			4304737891		Federal	GW	APD	C
N HORSESHOE 13-15-6-21	15			4304738013		Federal	GW	APD	C
N HORSESHOE 15-15-6-21	15			4304738014		Federal	GW	APD	C
N HORSESHOE 11-15-6-21	15			4304738015		Federal	GW	APD	C
N HORSESHOE 9-15-6-21	15			4304738016		Federal			C
N HORSESHOE 5-15-6-21		l	1	4304738017		Federal			C
N HORSESHOE 3-15-6-21	_			4304738018		Federal			C
N HORSESHOE 5-20-6-22	⊢—			4304738019		Federal			C
N HORSESHOE 13-20-6-22				4304738020		Federal			C
N HORSESHOE 3-20-6-22	20			4304738021		Federal			C
N HORSESHOE 7-20-6-22	20			4304738022		Federal			C
N HORSESHOE 11-20-6-22	20			4304738023		Federal			C
N HORSESHOE 2-12-6-21	12			4304738198		Federal			С
N HORSESHOE 14-12-6-21				4304738199		Federal			C
N HORSESHOE 10-12-6-21				4304738200		Federal		<del></del>	С
N HORSESHOE 8-12-6-21	12			4304738201		Federal			С
N HORSESHOE 16-13-6-21	13			4304738202		Federal			C
N HORSESHOE 15-17-6-22	17			4304738203		Federal			C
N HORSESHOE 5-19-6-22	19			4304738204		Federal		_	C
N HORSESHOE 15-19-6-22	19			4304738205		Federal			C
N HORSESHOE 3-21-6-22	21			4304738206		Federal			C
N HORSESHOE 11-21-6-22	21			4304738207		Federal			C
N HORSESHOE 15-21-6-22	21			4304738208			GW		C
N HORSESHOE 13-21-6-22	21			4304738209				APD	C
N HORSESHOE 5-21-6-22	21			4304738210				APD	C
N HORSESHOE 7-19-6-22	19			4304738271		Federal		APD	C
N HORSESHOE 5-16-6-22	16			4304738406	]	State	GW	APD	
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well name	sec	twp	rng	api	entity	lease	well	stat	flag
TWELVEMILE WASH 11-13-5-20	13			4304738437		Federal	GW	APD	C
TWELVEMILE WASH 1-15-5-20	15			4304738438		Federal	GW	APD	C
N HORSESHOE 4-33-5-21	33			4304738439		Federal	GW	APD	C
GUSHER 6-15-6-19	15			4304738440	1	Federal	GW	APD	C
HORSESHOE BEND W 9-34-6-20	34			4304738441		Federal	GW	APD	C
N HORSESHOE 16-12-6-21	12			4304738442		Federal	GW	APD	C
N WALKER HOLLOW 12-29-6-23	29			4304738443		Federal	GW	APD	C
N WALKER HOLLOW 10-30-6-23	30			4304738444		Federal	GW	APD	C
PELICAN LAKE 11-3-8-20	03			4304738445	<del></del>	Federal	GW	APD	C
PELICAN LAKE 8-4-8-20	04			4304738446	<u> </u>	Federal	GW	APD	C
E COYOTE 10-3-8-25	03			4304738447		Federal	GW	APD	С
BORDER 10-9-8-25	09	080S	250E	4304738448		Federal	GW	APD	С
N WALKER HOLLOW 14-33-6-23	33	060S		4304738455		Federal	GW	APD	C
SNAKE JOHN WASH 14-11-7-25	11	070S	250E	4304738456	<u> </u>	Federal	GW	APD	С
SNAKE JOHN WASH 4-24-7-25	24	070S	250E	4304738457		Federal	GW	APD	C
SQUAW RIDGE 1-26-7-25	26	070S	250E	4304738458		Federal	GW	APD	C
SQUAW RIDGE 13-28-7-25	28	070S	250E	4304738459		Federal	GW	APD	С
SQUAW RIDGE 16-30-7-25	30	070S	250E	4304738460		Federal	GW	APD	С
SQUAW RIDGE 14-16-7-25	16	070S	250E	4304738461	i	State	GW	APD	С
GUSHER 13-11-5-19	11	050S	190E	4304738462		State	GW	APD	С
N HORSESHOE 1-15-6-21	15	060S	210E	4304738831		Federal	GW	APD	C
N HORSESHOE 16-9-6-22	09	060S	220E	4304739083		State	GW	APD	
N HORSESHOE 12-7-6-22	07	060S	220E	4304739084		State	GW	APD	
N HORSESHOE 14-10-6-22	10	060S	220E	4304739085		State	GW	APD	
N HORSESHOE 2-15-6-22	15	060S	220E	4304739086		State	GW	APD	
N WALKER HOLLOW 12-32-6-23	32	060S	230E	4304739087		State	GW	APD	
N WALKER HOLLOW 10-32-6-23	32	060S	230E	4304739088		State	GW	APD	
N WALKER HOLLOW 16-32-6-23	32	060S	230E	4304739089		State	GW	APD	
N WALKER HOLLOW 8-32-6-23	32	060S	230E	4304739090		State	GW	APD	
N WALKER HOLLOW 11-36-6-23	36	060S	230E	4304739091		State	GW	APD	
N WALKER HOLLOW 13-36-6-23	36	060S	230E	4304739092		State	GW	APD	
N WALKER HOLLOW 14-32-6-23		1		4304739093		State	GW	APD	
N WALKER HOLLOW 15-36-6-23	36	060S	230E	4304739094		State	GW	APD	
N HORSESHOE 4-15-6-22	15	060S	220E	4304739095		State	GW	APD	
N HORSESHOE 9-10-6-21				4304739284		Federal	GW	APD	С
N HORSESHOE 12-13-6-21				4304739285		Federal			
N HORSESHOE 7-15-6-21				4304739286		Federal	GW	APD	
N HORSESHOE 9-19-6-22				4304739287		Federal	GW	APD	
N HORSESHOE 13-19-6-22				4304739288		Federal	GW	APD	
N HORSESHOE 11-19-6-22				4304739289		Federal			
SQUAW RIDGE 16-13-7-24				4304739319		Federal			С
N HORSESHOE 16-7-6-22	07			4304739320		Federal			C
SQUAW RIDGE 8-16-7-25	16	070S	250E	4304738024		State	GW	NEW	C

### STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

#### Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	N Horseshoe 9-15-6-21						
API number:	4304738016						
Location:	Qtr-Qtr: NESE Section: 15 Township: 6S Range: 21E						
Company that filed original application:	The Houston Exploration Company						
Date original permit was issued:	04/25/2006						
Company that permit was issued to:	The Houston Exploration Company						

Check one	Desired Action:				
	Transfer pending (unapproved) Application for Permit to Drill to new operator				
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.				
✓	Transfer approved Application for Permit to Drill to new operator				
	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.				

Following is a checklist of some items related to the application, which should be verified.		
If located on private land, has the ownership changed?		<b>√</b>
If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		1
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		✓
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		✓
Has the approved source of water for drilling changed?		1
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		✓
Is bonding still in place, which covers this proposed well? Bond No. 6218963	<b>✓</b>	

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Tami Hofmann	Title Regulatory Specialist
Signature Jami Domann	Date 08/02/2007
Representing (company name) Forest Oil Corporation	
Representing (company name)	A A A A A A A A A A A A A A A A A A A

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES	1 Ortivi 9
DIVISION OF OIL, GAS AND MINING	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76504
SUNDRY NOTICES AND REPORTS ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter p	7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL GAS WELL 🗸 OTHER	8. WELL NAME and NUMBER: North Horseshoe 9-15-6-21
2. NAME OF OPERATOR: Forest Oil Corporation	9. API NUMBER: 4304738016
3. ADDRESS OF OPERATOR: PHONE N	UMBER: 10. FIELD AND POOL, OR WILDCAT:
707 17th ST Suite 3600 CITY Denver STATE CO ZIP 80202 (303) 4. LOCATION OF WELL	812-1700 exploratory
FOOTAGES AT SURFACE: 2057' FSL & 758' FEL	соинту: <b>Uintah</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 15 6S 21E	STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NO	TICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION TYPE OF A	ACTION
✓ NOTICE OF INTENT ☐ ACIDIZE ☐ DEEPEN	REPERFORATE CURRENT FORMATION
(Submit in Duplicate) ALTER CASING FRACTURE TREAT	SIDETRACK TO REPAIR WELL
Approximate date work will start: CASING REPAIR NEW CONSTRUCTION	TEMPORARILY ABANDON
CHANGE TO PREVIOUS PLANS OPERATOR CHANGE	TUBING REPAIR
CHANGE TUBING PLUG AND ABANDON	VENT OR FLARE
SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK (Submit Original Form Only)	WATER DISPOSAL
CHANGE WELL STATUS PRODUCTION (START)	RESUME) WATER SHUT-OFF
Date of work completion:  COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WE	CLL SITE OTHER: Extension
CONVERT WELL TYPE RECOMPLETE - DIFFE	RENT FORMATION
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including date	tes, depths, volumes, etc.
The operator respectfully requests a one year approval extension for the subje	ct location.
Approved by the Utah Division of Oil, Gas and Mining	
Date: 04-29-05  By:	COPY SENT TO OPERATOR  Date: 5 1 · 2008  Initials: VS
NAME (PLEASE PRINT) Ginger Bowden TITLE Age	nt
SIGNATURE TOUR BOURD DATE 4/16	6/2008

RECEIVED

APR 2 8 2008

DIV. OF OIL, GAS & MINING

(This space for State use only)



## Application for Permit to Drill Request for Permit Extension Validation

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304738	016		
Well Name: North H	Horseshoe 9-15-6-21		
	T6S, R21E NESE		
		Corporation (Houston Exploration C	(o)
<b>Date Original Permit</b>	Issued: 4/25/2006		
above, hereby verifies	that the informatio	nts to drill on the property as p n as submitted in the previous d and does not require revisio	sly
Following is a checklis verified.	st of some items rel	ated to the application, which	should be
If located on private la agreement been upda		ship changed, if so, has the su	rface
<u>-</u>	•	of the proposed well which w s location? Yes□No☑	ould affect
Has there been any us permitting or operation		ents put in place that could afi vell? Yes□No☑	ect the
Have there been any of-way, which could at	_	ess route including ownership ocation? Yes⊡No ☑	, or right-
Has the approved sou	rce of water for dril	ling changed? Yes□No☑	
	ange in plans from	the surface location or acces what was discussed at the or	
Is bonding still in place	e, which covers this	proposed well? Yes⊠No□	
Stgnature Box	when	4/24/2008 Date	
Title: Agent			
Representing: Forest	Oil Corporation		RECEIVE

RECEIVED APR 2 8 2008



### State of Utah

#### DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 18, 2009

Forest Oil Corporation 707 17<sup>th</sup> Street, Suite 3600 Denver, CO 80202

Re:

APD Rescinded - N Horseshoe 9-15-6-21, Sec.15, T.6S, R.21E

Uintah County, Utah API No. 43-047-38016

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on April 25, 2006. On April 16, 2007 and April 29, 2008, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective June 30, 2009.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Masor

**Environmental Scientist** 

cc: Well File

Bureau of Land Management, Vernal



### United States Department of the Interior



#### **BUREAU OF LAND MANAGEMENT**

Green River District-Vernal Field Office 170 South 500 East Vernal, UT 84078 (435) 781-4400 Fax: (435) 781-4410

(435) 781-4400 Fax: (435) 781-4410 http://www.blm.gov/ut/st/en/fo/vernal.html



35) 781-4410 n/fo/vernal.html

February 11, 2010

Charles A. Rasey Forest Oil Corporation 707 17<sup>th</sup> Street, Suite 3600 Denver, CO 80202

43-047-38016

Re:

Request to Return APD

Well No. North Horseshoe 9-15-6-21

NESE, Sec. 15, T6S, R21E Uintah County, Utah Lease No. UTU-76504

Dear Mr. Rasey:

The Application for Permit to Drill (APD) for the above referenced well received April 18, 2006, is being returned unapproved per a request from Kelly Harris in an email message to Natural Resource Specialist Lori Ford received on February 10, 2010. The message stated that this is Forest Oil Corporation's official request to have the wells on the list in the email returned unapproved, as they are not going to pursue any work with them. This APD is holding Lease UTU-76504 in suspension. The lease suspension will be terminated once this APD is returned.

Forest Oil Corporation has the right to a State Director review of this decision as per the procedures outlined in 43 CFR 3165.3. If you have any questions regarding this matter or APD processing, please contact me at (435) 781-4502.

Sincerely.

James H. Sparger

Acting Assistant Field Manager Lands & Minerals Resources

Enclosures

CC:

**UDOGM** 

RECEIVED

FEB 17 2010

DIV. OF OIL, GAS & MINING